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TO RUEHC/SECSTATE WASHDC PRIORITY 6455  
INFO RUEHAC/AMEMBASSY ASUNCION 7596  
RUEHBO/AMEMBASSY BOGOTA 4965  
RUEHBR/AMEMBASSY BRASILIA 8870  
RUEHBU/AMEMBASSY BUENOS AIRES 6085  
RUEHCV/AMEMBASSY CARACAS 3305  
RUEHG/AMEMBASSY GEORGETOWN 0589  
RUEHPE/AMEMBASSY LIMA 3520  
RUEHMD/AMEMBASSY MADRID 3858  
RUEHMN/AMEMBASSY MONTEVIDEO 5241  
RUEHPO/AMEMBASSY PARAMARIBO 0271  
RUEHQ/AMEMBASSY QUITO 5934  
RUEHSG/AMEMBASSY SANTIAGO 0551  
RHEBAAA/DEPT OF ENERGY WASHINGTON DC  
RUEHUB/USINT HAVANA 0910  
RUEHLMC/MILLENNIUM CHALLENGE CORP

UNCLAS SECTION 01 OF 02 LA PAZ 000315

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STATE FOR EEB/TPP/ABT JFINN

E.O. 12958: N/A

TAGS: ENRG EAGR ECON SENV BL

SUBJECT: BOLIVIA REQUEST FOR EEB FY08 BIOTECH FUNDS

REF: A. LA PAZ 2928

¶B. LIMA 226

#### BACKGROUND

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¶1. Post appreciates the opportunity to request funding for agricultural biotech initiatives and the chance to work with Embassy Peru and the OES Hub in South America to explore the issues facing biofuel development in the two Andean nations. Both Bolivia and Peru hold great promise as producers of biofuels. Both countries contain large areas of arable land, favorable climates, rural employment needs, and infrastructure amenable to transportation of fuels to Pacific ports (Bolivia through an under-used petroleum pipeline per Ref A). Unlike Peru, the central government in Bolivia is officially opposed to biofuels, yet in Eastern Bolivia businesses and even the local governments are pushing to take advantage of the perceived opportunities. Moreover, contacts within government ministries indicate that biofuel development is being vigorously debated, despite official opposition. Rhetoric surrounding the topic is pervasive, and government officials and potential private sector investors need more accurate and comprehensive information.

#### SUMMARY OF PROPOSAL

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¶2. In conjunction with Embassy Lima's program, Post proposes a series of 2 workshops of 1 1/2 day duration in June 2008 to explore opportunities for biofuel production within Bolivia. These conferences will seek to open a regional dialogue on the advantages and disadvantages of biofuel production through discussion of three interrelated topics: Environmental Concerns and Sustainability, Social Challenges, and Economic Risks and Opportunities. Experts with practical experience in the South American context will be brought together with leaders in the governmental, academic, business, and non-profit sectors. Presentations will be combined with workshops where actual private sector project proposals can be presented, government concerns can be

expressed and discussed, and different models of biofuels development and biotechnology application can be debated. In Bolivia conferences would be held in Santa Cruz and in La Paz. Speakers will then continue on to Peru (see Ref B for Peruvian proposal).

#### PROPOSED SPEAKERS AND PARTICIPANTS

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13. Post plans to sponsor three speakers to travel to each of the workshop sites, one for each area of focus. To address Environmental Concerns and Sustainability, Post proposes Tim Killeen from Conservation International. Killeen is an American citizen based in Santa Cruz with expertise in tropical agriculture and biofuel development in the Amazon Basin. For Social Concerns, Post proposes bringing in an Andean region biodiesel production plant manager. Currently we are considering Miguel Mazorra, who manages a cooperative palm oil plantation in Columbia, but we are also seeking to identify a U.S. citizen with management experience in the region. Finally, to explore the Economic Risks and Opportunities in Bolivia and Peru, Post recommends Dr. Miguel Dabdoub from the University of Sao Paulo, Brazil. Dabdoub has vast experience in the area and has collaborated with Brazilian, European, and American companies building biodiesel plants. He is responsible for the BiodieselBrasil Program, a partnership with 30 private companies and five other Brazilian universities. Dabdoub is also the President of the Biofuels Chamber of the Sao Paulo State Government.

14. In addition to the regional speakers, the conferences will provide an opportunity for local government and private sector leaders in Bolivia and Peru to express their points of

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view. Additionally, Embassy La Paz is seeking cooperation from the British Embassy (through their environmental programs) and the Brazilian Embassy, as well as export associations, local businesses, and the Ministries of Environment and Small Business Development.

#### FUNDING REQUEST

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15. The workshops will be jointly sponsored and funded by OES HUB South America with a contribution of \$5,000. Embassy La Paz is requesting \$10,000 to cover the costs of speaker travel from the U.S., Brazil and within Peru and Bolivia.

16. Travel, lodging and MIE for Economic Risk/Opportunities Speaker: \$3,000 (Colombia or U.S.)  
Travel, lodging and MIE for Environmental/Sustainability Speaker: \$2,000 (Santa Cruz)  
Travel, lodging and MIE for Social Challenges Speaker: \$3,000 (Sao Paulo)  
Speaker Honoraria: \$2,000

#### PROPOSAL POINTS OF CONTACT

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##### 15. Points of contact:

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